



RED RIVER AUTHORITY OF TEXAS



A G E N D A

**Board of Directors Meeting
Wednesday, September 18, 2019, 9:00 a.m.
Red River Authority of Texas Administrative Offices
3000 Hammon Road
Wichita Falls, Texas**

General public wishing to address the Board must sign in prior to the Call to Order. General public wishing to speak on a particular agenda item must list the specific item on the signup sheet. General public wishing to address the Board about items not on the agenda will be allowed a three-minute time frame. The Board cannot comment on items not on the agenda or take action other than to place a topic on a future agenda.

If necessary, the Board of Directors may convene into Executive Session under Chapter 551 of the Texas Government Code regarding any item on this agenda. The Board may take final action on any of the executive session matters upon reconvening in open session pursuant to Chapter 551 of the Texas Government Code.

Item One: Call the Meeting to Order, Invocation, and Pledge of Allegiance to the United States and Texas Flags

Item Two: Public Comments to the Board of Directors

Comments from the general public to members of the board concerning items that are not on the board agenda. As comments from the general public are not posted agenda items, the Texas Open Meetings Act prohibits RRA Board Members and Staff from discussing or responding to these comments during board meetings.

CONSENT AGENDA

Items on the consent agenda will be considered and acted on in one motion.

Item Three: a. Approval of the Minutes of the Board of Directors Meeting Held on July 17, 2019

REGULAR AGENDA

Item Four: Consider Electing Officers for FY 2019-2020. The Board May Take Any Other Action Deemed Necessary.

a. Election of President, Vice President, Secretary, and Assistant Secretary

- b. Appointment of the Executive Committee by the President
- c. Appointment of the General Manager and General Counsel by the Board of Directors

Item Five: Consider Resolution 2019-006, Abolishing the Security Deposit Required for Utility Accounts and Approving a Credit of Deposit Balances to the Customer's Account. The Board May Take Any Other Action Deemed Necessary.

Item Six: Consider Resolution 2019-007, Setting Water and Sewer Fees and Establishing Late Fees for Water and Sewer Accounts. The Board May Take Any Other Action Deemed Necessary.

Item Seven: Consider Resolution 2019-008, Replacing Chapter Three - Utility Division and Chapter 5 - Maintenance Division of the Red River Authority of Texas Administrative Policy and Procedure Manual. The Board May Take Any Other Action Deemed Necessary.

Item Eight: Consider Resolution 2019-009, Approval of the Fiscal Year 2019-2020 Annual Operating Budget. The Board May Take Any Other Action Deemed Necessary.

Item Nine: Consider Responses to the Request for Qualifications Received for Municipal Advisory Services. The Board May Take Any Other Action Deemed Necessary.

Item Ten: Consider Responses to the Request for Qualifications Received for General Legal Services. The Board May Take Any Other Action Deemed Necessary.

Item Eleven: Consider Responses to the Request for Qualifications Received for Special Legal Services. The Board May Take Any Other Action Deemed Necessary.

- Item Twelve: Consider Awarding the Contract for a Replacement Well in Howardwick. The Board May Take Any Other Action Deemed Necessary.
- Item Thirteen: Consider Amending the Travel Policy for Board Members and Key Officials. The Board May Take Any Other Action Deemed Necessary.
- Item Fourteen: Consider Approval of Directors' Expenses. The Board May Take Any Other Action Deemed Necessary.
- Item Fifteen: Consider Resolution 2019-010, Amending the Director Fee Paid to Board Members to \$150.00. The Board May Take Any Other Action Deemed Necessary.
- Item Sixteen: Receive a Presentation on House Bill 4166 - Navigation on the Red River from Mr. John Stone. The Board May Take Any Other Action Deemed Necessary.
- Item Seventeen: Consider Authorizing the General Manager to Execute a Contract with the North Central Texas Council of Governments (NCTCOG) to Administer \$500,000 in NCTCOG Funds to Conduct a Hydraulics and Hydrology Engineering Feasibility Study of the Red River Navigation Extension from Index, Arkansas to Denison Dam, Texas. The Board Take Any Other Action Deemed Necessary.
- Item Eighteen: Consider Authorizing the Advertisement for Bids for a Hydraulics and Hydrology Engineering Feasibility Study of the Red River Navigation Extension from Index, Arkansas to Denison Dam, Texas. The Board May Take Any Other Action Deemed Necessary.
- Item Nineteen: Conduct a Five-Year Strategic Planning Session Workshop. The Board May Take Any Other Action Deemed Necessary.

Item Twenty: Other Business as the Board May Deem Appropriate:

- a. General Manager's Report
 - 1. Capital Improvement Plan Update
 - 2. Legislation Codification Update
 - 3. Sunset Recommendations Implementation
- b. Assistant General Manager's Report
 - 1. Update on the Asset Management Plan Progress
 - 2. Update on the Environmental Services Division
 - 3. Update on the Utility Division and Maintenance Division
- c. Financial Report by the Controller
 - 1. Fiscal Year 2019 Consolidated Annual Financial Report (CAFR) Preparation Update
 - 2. Update on the Submittal to the Government Finance Officers Association for the Certificate of Achievement Award for Excellence in Financial Reporting on the Fiscal Year 2018 CAFR

Item Twenty-One: Comments from the Directors and/or Suggestions for Future Agenda Items

Item Twenty-Two: Adjourn Meeting

Any item on this agenda may be discussed in executive session if authorized by Texas law regardless of whether any item is listed under "Executive Sessions" of this agenda, regardless of any past or current practice of the Board. Executive sessions described generally hereunder may include consideration of any item otherwise listed on the agenda plus any subject specified in the executive session notice. Executive Session Board Meetings are closed meetings, may include consideration of any item otherwise listed on the agenda, plus any subject specified in the executive session notice, and may include items under Texas Government Code Sections 551.071, 551.072, 551.073, 551.074, 551.076, 551.084, and/or 551.087.

Special Accommodations: This facility is wheelchair accessible and accessible parking spaces are available. Requests for special accommodations or interpretive services must be made forty-eight (48) hours prior to this meeting. Please contact Ms. Danna P. Bales at 940-723-2236 or danna.bales@rra.texas.gov for assistance.

RED RIVER AUTHORITY OF TEXAS

Board of Directors' Meeting

September 18, 2019

The Red River Authority of Texas Board of Directors conducted a regularly scheduled meeting on Wednesday, September 18, 2019 at 9:00 a.m. in the Board Room of the Red River Authority of Texas Administrative Offices in Wichita Falls, Texas. The meeting was open to the public, and the following directors, staff and guests were present:

Directors:

Mr. Jerry Bob Daniel, President, Truscott
Mr. Todd W. Boykin, Vice President, Amarillo
Mr. Stephen A. Thornhill, Assistant Secretary, Denison
Mr. Michael Sandefur, Texarkana
Mr. G. Wilson Scaling, II, Henrietta
Mr. Zackary K. Smith, Canyon
Mr. Joe Ward, Telephone

Staff:

Mr. Randall W. Whiteman, General Manager, Red River Authority of Texas
Ms. Danna P. Bales, Executive Assistant, Red River Authority of Texas
Mr. Fabian A. Heaney, Assistant General Manager, Red River Authority of Texas
Ms. Lana Hefton, Controller, Red River Authority of Texas
Mr. Glen K. Hite, IT Systems Administrator, Red River Authority of Texas
Mr. Todd Davenport, General Counsel, Sherrill and Gibson, PLLC, Wichita Falls

Guests:

Nathan J. (Jim) Bell, Paris
Mr. John M. Stone, Texarkana

Item One:

Call the Meeting to Order, Invocation, and Pledge of Allegiance to the United States and Texas Flags

Mr. Daniel called the meeting to order at 9:00 a.m. and noted that Ms. Penny Carpenter was absent. Mr. Whiteman provided the invocation. The pledges of allegiance to the United States and Texas Flags followed.

Item Two: Public Comments to the Board of Directors

Mr. Bell stated that he served on the Authority's board for a long time, and provided his experience in attending the Sunset Commission hearing last year. He also stated that he was looking forward to hearing Mr. Stone's presentation on the Red River Navigation Project. Additionally, Mr. Bell thanked the board for their service and wished them best.

CONSENT AGENDA**Item Three: a. Approval of the Minutes of the Board of Directors Meeting Held on July 17, 2019**

Following review of the consent agenda item, Mr. Sandefur made a motion to approve the minutes of the Board of Directors meeting held on July 17, 2019, as written. Mr. Thornhill seconded the motion, which passed by a vote of **7 For** and **0 Against**.

REGULAR AGENDA**Item Four: Consider Electing Officers for FY 2019-2020. The Board May Take Any Other Action Deemed Necessary.****a. Election of President, Vice President, Secretary, and Assistant Secretary**

Mr. Whiteman reminded the Board that with the recent Sunset review, the Governor will now appoint the President of the Board. He then stated that since the Governor has not appointed one yet, that person will only serve until the Governor's appointment is made.

Mr. Scaling nominated Mr. Daniel as President, until the Governor announces his appointment. His motion was seconded by Mr. Thornhill, and the motion passed by a vote of **7 For** and **0 Against**.

Mr. Scaling nominated Mr. Boykin as Vice President and Mr. Thornhill as Assistant Secretary. His motion was seconded by Mr. Ward, and the motion passed by a vote of **7 For** and **0 Against**.

Mr. Ward nominated Mr. Sandefur as Secretary-Treasurer. His motion was seconded by Mr. Thornhill, and the motion passed by a vote of **7 For** and **0 Against**.

Item Four: Consider Electing Officers for FY 2019-2020. The Board May Take Any Other Action Deemed Necessary. (Continued)

b. Appointment of the Executive Committee by the President

Mr. Daniel appointed the members of the Executive Committee to consist of the officers nominated.

c. Appointment of the General Manager and General Counsel by the Board of Directors

Mr. Davenport stated that the reason he did not reply to the recent Request for Qualifications for General Counsel was due to the fact that he is not a water law attorney, and he felt like the Authority needs a specialized governmental attorney. He added that he would be willing to serve the Authority until a new General Counsel has been selected.

Following brief discussion, Mr. Sandefur made a motion to appoint Todd Davenport as temporary General Counsel until a new General Counsel has been selected, and Mr. Whiteman as General Manager. His motion was seconded by Mr. Scaling, and the motion passed by a vote of **7 For** and **0 Against**.

Item Five: Consider Resolution 2019-006, Abolishing the Security Deposit Required for Utility Accounts and Approving a Credit of Deposit Balances to the Customer's Account. The Board May Take Any Other Action Deemed Necessary.

Mr. Whiteman stated that under Public Utility Commission (PUC) rules, the Authority is not required to collect security deposits. However, he explained that the PUC does regulate how security deposits are maintained. He also explained that the PUC regulations are tedious and are not worth the benefit of the security deposit. Mr. Whiteman stated further that most utilities do not collect deposits and the Authority would like to follow suit. He added that Exhibit A, detailing the total of deposit refunds would become part of Resolution 2019-006.

Following minor discussion, Mr. Sandefur made a motion to approve Resolution 2019-006, abolishing the security deposit required for utility accounts and approving a credit of deposit balances to utility customers' accounts. His motion was seconded by Mr. Scaling, which passed by a vote of **7 For** and **0 Against**.

Item Six: Consider Resolution 2019-007, Setting Water and Sewer Fees and Establishing Late Fees for Water and Sewer Accounts. The Board May Take Any Other Action Deemed Necessary.

Mr. Whiteman explained that the Authority has never collected late fees on utility accounts. He stated that it has caused overly strict rules on pulling meters on due dates. He added that allowing late fees will also allow the customer more time to pay. Additionally, Mr. Whiteman explained that enacting late fees will offset any losses that may be experienced by foregoing the security deposit.

Following discussion on the benefits of late fees, Mr. Smith made a motion to approve Resolution 2019-007, setting water and sewer fees and establishing late fees for water and sewer accounts. His motion was seconded by Mr. Ward, which passed by a vote of **7 For** and **0 Against**.

Item Seven: Consider Resolution 2019-008, Replacing Chapter Three - Utility Division and Chapter 5 - Maintenance Division of the Red River Authority of Texas Administrative Policy and Procedure Manual. The Board May Take Any Other Action Deemed Necessary.

Mr. Whiteman stated that it has always been the intention of staff to review and rewrite the Administrative Policy and Procedure Manual. He explained that the Texas Sunset Advisory Commission has been informed that there would be a completed revision by 2021. It was decided by staff to start the revision with Chapter 3-Utility Division and Chapter 5-Maintenance Division, in order to include the Policy on Accountability established this year, as well as some of the mandates on rate notification that is recommended by the recent Sunset review. As requested by Mr. Boykin, Mr. Heaney provided an explanation of substantial changes to the chapters. Additionally, Mr. Whiteman explained that rates and fees schedules have been removed from the policy, and replaced with a reference to the Annual Operating Budget. He added that the Fee Schedules will continue to be approved annually with the budget.

Following additional discussion on the changes, Mr. Boykin stated that he appreciated the work put into the policy changes, but requested that in the future, a redline version be provided for review. Mr. Boykin then made a motion to approve Resolution 2019-008, replacing Chapter Three - Utility Division and Chapter 5 - Maintenance Division of the Red River Authority of Texas Administrative Policy and Procedure Manual. His motion was seconded by Mr. Scaling, and the motion passed by a vote of **7 For** and **0 Against**.

Item Eight: Consider Resolution 2019-009, Approval of the Fiscal Year 2019-2020 Annual Operating Budget. The Board May Take Any Other Action Deemed Necessary.

Mr. Whiteman stated that the preparation of this year's budget was a learning experience for all, and that everyone worked well together. He added that some of the suggestions from last year's budget presentation was implemented.

Ms. Hefton provided a brief overview of the budget and stated that it was prepared conservatively. She stated that payroll was budgeted with a 3% increase, while insurance was budgeted with a 5% increase. Mr. Whiteman stated that \$50,000 was added in Research and Development for the possibility of expenditures with regards to the Red River Navigation Project. Discussion was then held on rates and capital projects.

Following additional discussion, Mr. Sandefur made a motion to approve Resolution 2019-009, approving the Fiscal Year 2019-2020 Annual Operating Budget. His motion was seconded by Mr. Ward, which passed by a vote of **7 For** and **0 Against**.

Item Nine: Consider Responses to the Request for Qualifications Received for Municipal Advisory Services. The Board May Take Any Other Action Deemed Necessary.

Mr. Whiteman reminded that the Texas Sunset Advisory Commission instructed the Authority to maintain a list of professional service providers and to use that list for a five-year period. He reminded that the Board authorized a Request for Qualifications (RFQ) for Municipal Advisory Services at its July 18, 2019 meeting. He explained that Municipal Advisory Service professionals assist the Authority in acquiring funding through bonds and other sources. He added that these services will only be utilized if the Authority returns to the market to fund capital projects in the future.

Referring to the score sheet in the board book, Mr. Whiteman explained that two responses to the RFQ were received; one from Hilltop Securities and one from Naman, Howell, Smith and Lee, PLLC. He stated that the responses were scored based on quality of response, capability and experience, by a committee of three executive staff members, with Hilltop Securities being rated as number one on the list.

Following minor discussion, Mr. Boykin made a motion to approve the list of ranked responses to the Request for Qualifications for Municipal Advisory Services. His motion was seconded by Mr. Thornhill, which passed by a vote of **7 For** and **0 Against**.

Item Ten: Consider Responses to the Request for Qualifications Received for General Legal Services. The Board May Take Any Other Action Deemed Necessary.

With the Texas Sunset Advisory Commission's recommendation for the Authority to maintain a list of professional service providers, and to update it every five years, Mr. Whiteman reminded that the Board authorized a Request for Qualifications (RFQ) for General Legal Services at its July 18, 2019 meeting. He explained that Mr. Todd Davenport, the Authority's current Legal Counsel, did not respond. He further stated that although other local firms were solicited, none responded to the RFQ. He also explained that several out of town firms responded to both the General Legal Counsel RFQ and Special Legal Counsel RFQ.

Mr. Whiteman then stated that since most of the issues the Authority has experienced in the last few years have been referred to Special Legal Counsel, it is recommended that the General and Special Legal Counsel be chosen as the same firm.

Referring to the score sheet in the board book, Mr. Whiteman explained that four firms responded to both the General Counsel and Special Legal Counsel RFQs; Lloyd Gosselink Rochelle and Townsend, PC, Winstead, Russell Rodriguez Hyde Bullock, and Naman Howell Smith and Lee, PLLC. He stated that one additional firm responded to the Special Legal Counsel RFQ; Bickerstaff Heath Delgado Acosta, LLP. He stated that all of the responses were scored based on quality of response, capability and experience, by a committee of three executive staff members, with Lloyd Gosselink Rochelle and Townsend, PC being rated as number one on both the General Legal Counsel and Special Legal Counsel lists. It was also discussed that the Authority could choose to have one firm represent both General and Special Legal Counsel.

Following in-depth discussion on the firms and the possibility of creating a Legal Selection Committee, Mr. Sandefur made a motion to table the agenda item until the next meeting. Mr. Sandefur's motion was not seconded.

Additional in-depth discussion was held on the firms that responded to the RFQs and Mr. Smith made a motion to accept the General Legal Counsel list and form a Legal Selection Committee comprised of Mr. Boykin, Mr. Thornhill, Mr. Whiteman, Mr. Heaney and Ms. Bales. His motion was seconded by Mr. Ward, and the motion passed by a vote of **7 For** and **0 Against**.

Item Eleven: Consider Responses to the Request for Qualifications Received for Special Legal Services. The Board May Take Any Other Action Deemed Necessary.

After it was decided to create a Legal Counsel Selection Committee under Agenda Item Ten, Mr. Smith made a motion to accept the Special Legal Counsel list presented. His motion was seconded by Mr. Ward, and the motion passed by a vote of **7 For** and **0 Against**.

Item Twelve: Consider Awarding the Contract for a Replacement Well in Howardwick. The Board May Take Any Other Action Deemed Necessary.

Mr. Whiteman stated that the Authority solicited bids for a replacement well in Howardwick, and two bids were received; one from Central Texas Water Well in the amount of \$214,600 and one from Hall Resources, dba THI Water Well, in the amount of \$263,840. He stated that the recommendation from the engineer is to award the bid to Central Texas Water Well for the Janny Water Well Replacement Project for the Howardwick Water System. He stated that the permit has been received from the Panhandle Groundwater Conservation District, however the permit was issued in both the Authority's and the City of Howardwick's name. He explained that he did not feel this would be an issue.

Following discussion, Mr. Scaling made a motion to approve awarding the contract for a replacement well in Howardwick to Central Texas Water Well in the amount of \$214,600. His motion was seconded by Mr. Boykin, and the motion passed by a vote of **7 For** and **0 Against**.

Discussion was then held regarding the possible future implications of both names being on the permit. It was then recommended by the board that legal counsel review the possible implications.

Item Thirteen: Consider Amending the Travel Policy for Board Members and Key Officials. The Board May Take Any Other Action Deemed Necessary.

At the Authority's last meeting, the Board discussed the limits for travel and related expenses and references were made to the State Travel Policy. At that meeting the Board adopted what it believed was the Texas Comptroller's policy, which allowed being paid double the allowable per diem without receipts for Appointed Board Members and Executive Staff. The Board also approved paying Director Fees for travel days.

Mr. Davenport then explained that upon reviewing the applicable provision of the Water Code and other related materials, he advised that Director's Fees could be paid up to \$150 per day, but that fee could not be paid for travel days. He also explained that, because the Water Code speaks in terms of reimbursement for "actual expenses," the more prudent practice would be to require actual receipts for expense reimbursements for meals and lodging and similar expenses, not to exceed the maximum allowable amounts. He stated that mileage would continue to be reimbursed at the state allowed rate per mile.

Following discussion amongst the directors regarding the interpretation of the state statutes and travel guidelines, Mr. Boykin made a motion to table this item. His motion was seconded by Mr. Scaling, and the motion passed by a vote of **7 For** and **0 Against**.

The meeting broke for lunch at 12:17 p.m. and reconvened at 12:55

Item Fourteen: Consider Approval of Directors' Expenses. The Board May Take Any Other Action Deemed Necessary.

Following review of the Directors' expenses from the July 17, 2019 Board of Directors meeting, Mr. Boykin made a motion they be approved, subject to the recapture of actual expenses, if necessary. His motion was seconded by Mr. Sandefur, and the motion passed by a vote of **7 For** and **0 Against**.

Item Fifteen: Consider Resolution 2019-010, Amending the Director Fee Paid to Board Members to \$150. The Board May Take Any Other Action Deemed Necessary.

Mr. Whiteman explained that the Authority was recently contacted by the Legislative Council (LC), as part of the codification process of the Authority's legislation. He stated that the LC requesting copies of the Resolution approving director's fees at \$100 per day. Following research, it was determined that the \$100 per day director fee was never approved by a Resolution, as required.

Following discussion, Mr. Smith made a motion to approve Resolution 2019-010 amending the director fees paid to board members to \$150. His motion was seconded by Mr. Thornhill, which passed by a vote of **7 For** and **0 Against**.

The meeting then moved to Item Twenty.

Item Twenty: Other Business as the Board May Deem Appropriate:

a. General Manager's Report

1. Capital Improvement Plan Update

Mr. Whiteman provided an update to the Board of the status of the Authority's Capital Improvement Plan. He added that the Truscott-Gilliland CIP on the expenditure update showed 100% to completion, but it should be 0%, since that project is now complete.

2. Legislation Codification Update

Mr. Whiteman stated that he recently spoke with the Legislative Council, and the Authority's codification will be completed in late 2020.

Item Twenty: Other Business as the Board May Deem Appropriate:**a. General Manager's Report (continued)****3. Sunset Recommendations Implementation**

Mr. Whiteman provided the board with an update on the Sunset recommendations implementation.

b. Assistant General Manager's Report**1. Update on the Asset Management Plan Progress**

Mr. Heaney provided the Board with an update on his progress preparing the Asset Management Plan, and stated that he had surveyed 18 out of 33 of the Authority's water systems, and hopes to have the Asset Management Plan completed by the end of the year.

2. Update on the Environmental Services Division

Mr. Heaney stated that the laboratory audit was recently closed by the Texas Commission on Environmental Quality, therefore it is NELAP accredited for two more years. He also explained that the new Laboratory Information Management Systems software that was funded through the TCEQ's Clean Rivers Program had been purchased and is in the process of being implemented in the laboratory.

3. Update on the Utility Division and Maintenance Division

Mr. Heaney explained that a well pump in Howardwick recently went down and the cost to install a new one was approximately \$5,000. He also explained that all of the required easements for the Lake Arrowhead CIP to pump treated water from the City of Wichita Falls had been obtained, however, he stated that they are still attempting to ascertain all of the required easements for the Hinds-Wildcat CIP. Mr. Heaney further stated that the two-ton diesel truck broke down and the engine repairs was approximately \$11,000. Additionally, he explained that about 11,000 feet of water line was recently installed for the Lutie Pump Station. Discussion was then held on the Automatic Meter Reading (AMR) project, and Mr. Heaney explained that the U.S Bureau of Reclamation had awarded the \$75K grant, with a commitment of \$125,000 from the Authority. He reminded that this was a matching grant, will complete the conversion of approximately 10% of the Authority's water system meters. He also explained that he is looking at possible future Texas Water Development Board loans, as well as additional grants, to complete the AMR project for the Utility Division in the future.

Item Twenty: Other Business as the Board May Deem Appropriate: (continued)**c. Financial Report by the Controller****1. Fiscal Year 2019 Consolidated Annual Financial Report (CAFR) Preparation Update**

Ms. Hefton stated that the auditors would be in the office tomorrow to begin their field work for the 2019 audit.

2. Update on the Submittal to the Government Finance Officers Association for the Certificate of Achievement Award for Excellence in Financial Reporting on the Fiscal Year 2018 CAFR

Ms. Hefton stated that she has continually checked the GFOA website, and thus far, there had been no updates for the 2018 CAFR achievement awards.

Item Sixteen: Receive a Presentation on House Bill 4166 - Navigation on the Red River from Mr. John Stone. The Board May Take Any Other Action Deemed Necessary.

Mr. John Stone provided a presentation to the Board regarding House Bill 4166 – Navigation on the Red River, that relates to the study of the feasibility of the expansion of navigation on the Red River between Texarkana, Arkansas and Denison Dam, Texas. He reminded that the report is due to the Legislature no later than January 1, 2021. In closing, he encouraged the Board to work closely with the U.S. Army Corps of Engineer, the Red River Valley Association (RRVA), and the Oklahoma Indian Nations. He added that the North Central Texas Council of Governments had identified funds for the study.

Item Seventeen: Consider Authorizing the General Manager to Execute a Contract with the North Central Texas Council of Governments (NCTCOG) to Administer \$500,000 in NCTCOG Funds to Conduct a Hydraulics and Hydrology Engineering Feasibility Study of the Red River Navigation Extension from Index, Arkansas to Denison Dam, Texas. The Board Take Any Other Action Deemed Necessary.

Mr. Whiteman stated that the North Central Texas Council of Governments (NCTCOG) committed \$500,000 to fund an engineering study of the navigation extension from Index, Arkansas to Denison Dam, Texas. He stated that the Authority and the RRVA has been in conference with the NCTCOG as to their intentions on following through with that commitment.

Item Seventeen: Consider Authorizing the General Manager to Execute a Contract with the North Central Texas Council of Governments (NCTCOG) to Administer \$500,000 in NCTCOG Funds to Conduct a Hydraulics and Hydrology Engineering Feasibility Study of the Red River Navigation Extension from Index, Arkansas to Denison Dam, Texas. The Board Take Any Other Action Deemed Necessary. (continued)

Following in-depth discussion, Mr. Boykin made a motion to authorize the General Manager to negotiate a contract with the NCTCOG to administer \$500,000 in NCTCOG funds to conduct a Hydraulics and Hydrology Engineering Feasibility Study of the Red River Navigation Extension from Index, Arkansas to Denison Dam, Texas. His motion was seconded by Mr. Smith, and the motion passed by a vote of **7 For** and **0 Against**.

Item Eighteen: Consider Authorizing the Advertisement for Bids for a Hydraulics and Hydrology Engineering Feasibility Study of the Red River Navigation Extension from Index, Arkansas to Denison Dam, Texas. The Board May Take Any Other Action Deemed Necessary.

There was no action on this item.

Item Nineteen: Conduct a Five-Year Strategic Planning Session Workshop. The Board May Take Any Other Action Deemed Necessary.

Director Sandefur lead the Board and staff in a Strategic Planning Session Workshop, with the hopes that a completed Strategic Plan will be ready to be passed at the April 2020 Board Meeting.

Item Twenty-One: Comments from the Directors and/or Suggestions for Future Agenda Items

There were no comments or suggestions for future agenda items from the directors.

Item Twenty-Two: Adjourn Meeting

Mr. Scaling made a motion to adjourn at 4:00 p.m. His motion was seconded by Mr. Ward, and the motion passed by a vote of **7 For** and **0 Against**.



Todd W. Boykin, President



Michael R. Sandefur, Secretary-Treasurer



RED RIVER AUTHORITY OF TEXAS



RESOLUTION

No. 2019-006

STATE OF TEXAS

§

COUNTY OF WICHITA

§

A RESOLUTION OF THE BOARD OF DIRECTORS ABOLISHING CUSTOMER DEPOSITS AND ALLOWING FOR THE RETURN OF DEPOSIT BALANCES TO CUSTOMERS OR FORMER CUSTOMERS OF THE RED RIVER AUTHORITY OF TEXAS.

The RED RIVER AUTHORITY OF TEXAS specifically finds that:

WHEREAS, the Public Utility Commission (PUC) provides for Security Deposits in the *Texas Administrative Code (TAC), Title 16, Chapter 24, Water Substantive Rules Applicable to Water and Sewer Service Providers*; and


WHEREAS, *TAC Title 16, Chapter 24, Water Substantive Rules Applicable to Water and Sewer Service Providers* does not require that a service provider must collect individual Security Deposits, but does regulate how said deposits will be maintained; and

WHEREAS, the Red River Authority of Texas has decided to forgo the Security Deposit policy requirement for all future service accounts effective October 1, 2019; and

WHEREAS, the Red River Authority of Texas has decided to return all currently deposited funds to Customers from which collected; and

NOW, THEREFORE BE IT RESOLVED by the Board of Directors that any and all deposits held by the Red River Authority of Texas, as individual Security Deposits attached to this Resolution as Exhibit A, at the time of this Resolution, be returned to the individual Customers within 30 days of the effective date by either as credit on their active account or returned to the Customer in the form of a negotiable check.

PASSED AND APPROVED this the 18th day of September, 2019.


Stephen A. Thornhill, Assistant Secretary

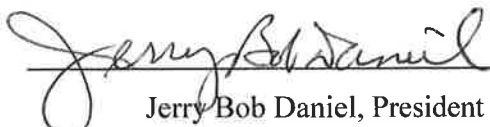

Jerry Bob Daniel, President

EXHIBIT A

RED RIVER AUTHORITY OF TEXAS
SECURITY DEPOSIT TOTALS
SEPTEMBER 2019

<u>WATER SYSTEM</u>	<u>NUMBER OF ACCOUNTS</u>	<u>AMOUNT</u>
010- ESTELLINE	57	\$ 2,975
030- TURKEY ESTELLINE	101	5,075
050- NEWLIN	25	1,225
060- HARRELS-CHAPEL	23	1,150
070- NORTHFIELD-CAREY	78	4,050
080- RURAL # 1	14	700
090- NEW GOODLETT	35	1,750
100- SOUTH QUANAH	16	800
110- QUANAH SOUTHWEST	23	1,075
120- RURAL #2	53	2,650
130- OLD GOODLETT	34	1,700
140- MEDICINE MOUND	50	2,600
150- QUANAH NORTHEAST	112	5,625
160- KIRKLAND-LAZARE	70	3,525
170- LOCKETT	303	15,025
180- BOX	58	2,925
190- HINDS	61	2,925
200- FARMERS VALLEY	44	2,150
210- TELL CEE VEE	203	10,225
220- CHILDRESS NE	121	5,975
230- SAIED	30	1,500
240- GARDEN VALLEY	54	2,700
250- RURAL # 3	7	350
260- GUTHRIE-DUMONT	106	5,275
270- FOARD COUNTY	120	6,150
280- TRUSCOTT-GILLILAND	79	3,900
290- SAMNORWOOD	57	2,925
300- DODSON	105	5,250
310- PLASKA FRIENDSHIP	17	825
320- CLUB LAKE-MEMPHIS	38	1,950
330- HOWARDWICK	272	14,000
340- GREENBELT LAKE	65	3,225
350- ARROWHEAD LAKE	359	18,250
360- ARROWHEAD RANCH	332	16,625
370- RINGGOLD	62	3,225
390- PRESTON SHORES	76	38,081
	3,260	\$ 198,356

*The above listed amounts are approximate



RED RIVER AUTHORITY OF TEXAS



RESOLUTION

No. 2019-007

STATE OF TEXAS

§

COUNTY OF WICHITA

§

A RESOLUTION OF THE BOARD OF DIRECTORS ESTABLISHING FEES, LATE FEES AND CHARGES.

The RED RIVER AUTHORITY OF TEXAS specifically finds that:

WHEREAS, the Public Utility Commission (PUC) provides for Late Fees *Title 16, Chapter 24, Water Substantive Rules Applicable to Water and Sewer Service Providers*; and

WHEREAS, *Title 16, Chapter 24, Water Substantive Rules Applicable to Water and Sewer Service Providers* of the PUC allows the Red River Authority of Texas to establish a penalty on delinquent bills for retail service; and

WHEREAS, the Red River Authority of Texas desires to establish and recover certain costs from delinquent fees and charges levied in providing water and sewer services; and

WHEREAS, the General Manager has caused review of all Red River Authority of Texas fees and charges and determined the costs of such fees and charges; and

NOW, THEREFORE BE IT RESOLVED by the Board of Directors that the fee and charge schedules, including late charge fees, attached to this Resolution as Exhibit A are hereby adopted with said fees and charges to be effective October 1, 2019, and continue in effect until modified by the Red River Authority of Texas Board of Directors.

PASSED AND APPROVED this the 18th day of September, 2019.

Stephen A. Thornhill, Assistant Secretary

Jerry Bob Daniel, President

EXHIBIT A



RED RIVER AUTHORITY OF TEXAS

Utility Division

Rate Schedule

Effective October 1, 2019



TREATED WATER AND SEWER RATES

Residential Water*

Monthly Minimum:	\$73.50 per month with 2,000 gallons
Demand Block 1:	\$6.00 per 1,000 gallons for the next 5,000 gallons
Demand Block 2:	\$8.75 per 1,000 gallons for all water over 7,000 gallons

Commercial Water*

Base Monthly Charge:	\$85.00 per month
Demand Block 1:	\$6.75 per 1,000 gallons for the first 30,000 gallons
Demand Block 2:	\$9.00 per 1,000 gallons for all water over 30,000 gallons

Sewer*

Monthly Rate:	\$46.50 (only for those with sewer services)
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*A late fee in the amount of 10% of the monthly account statement will be assessed against an account for the statement not being paid in full by 5:00 PM on the 16th day after issuance, subject to rule.

The rates are based on all treated water and sewer systems combined within the Utility Division in order to maintain adequate bond coverage ratios. The rates are designed to provide the revenues needed to recover the cost of operating, and pay the debt service. It is based on fiscal year 2016 historical financial and consumptive data. The information has been obtained from the Authority's Comprehensive Annual Financial Report, conducted by an independent accounting firm.

RAW WATER RATES.

Monthly Minimum:	\$380.00
Demand Block 1:	\$0.13 per 1,000 gallons up to 1.7 MGD
Demand Block 2:	\$0.15 per 1,000 gallons over 1.7 MGD

The raw water rates are designed to provide the revenues needed to recover the cost of acquiring water rights and ongoing participation in the operation and maintenance of reservoirs, well fields, or other related infrastructure. These rates are for contracted non-transient raw water customers. Temporary or transient rates are negotiated individually when permitted by the General Manager.



RED RIVER AUTHORITY OF TEXAS

Maintenance and Utility Division

Schedule of Fees and Charges

Effective October 1, 2019



Base Charges

Backhoe	(per hour)	\$90.00
Tractor	(per hour)	50.00
Technician Time*	(per hour)	25.00
Travel Time*	(per hour)	25.00
Welder	(per hour)	25.00
Riding Mower	(per hour)	25.00
All-Terrain Vehicle	(per hour)	25.00
1/2 Ton Truck	(per mile)	0.58
3/4 Ton Truck	(per mile)	1.10
1 Ton Truck	(per mile)	1.70
2 1/2 Ton Truck	(per mile)	1.90

* All after business-hours' time will be assessed at a rate of cost plus 50%.

Minimum Time Charge

Backhoe, Tractor, Welder, Riding Mower, ATV	One Hour
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Residential Tap Fees

Water Short Tap	Less than 10 feet from main	\$1,418.00
Sewer Short Tap (gravity)	Less than 10 feet from main	500.00
Sewer Short Tap (pressure)	Less than 10 feet from main	2,500.00

Commercial Tap Fees

Short Tap	Less than 10 feet from main	\$1,434.00
Sewer Short Tap	Less than 10 feet from main	500.00
Sewer Short Tap (pressure)	Less than 10 feet from main	2,500.00

Miscellaneous Fees and Charges

Residential Connect, Reconnect, or Transfer Fee	\$75.00
Commercial Connect, Reconnect, or Transfer Fee	200.00
Account Setup Fee	25.00
Return Check Charge	25.00
Water or Sewer Service Charge/Call	35.00
Meter Accuracy Test (other than normal test)	35.00
Customer Service Valve	42.00
Customer Service Inspection Fee	35.00
Transient Meter Fee (fire hydrant meter)	500.00

* All subcontracted work will be assessed a rate of cost plus 20%.



RED RIVER AUTHORITY OF TEXAS
Environmental Services Laboratory Price List
Effective October 1, 2019



General Chemical Analyses

Alkalinity, Total	26.00
Ammonia, Nitrogen	30.00
BOD ₅	39.00
CBOD ₅	39.00
COD	40.00
Chloride	31.00
Chlorophyll- <i>a</i> / Pheophytin*	44.00
Conductivity	23.00
Nitrate	31.00
Nitrate+Nitrite	75.00
Nitrite	31.00
Oil & Grease	83.00
pH	10.00
Phosphorus, Total	40.00
Phosphorus Low-Level, Total	75.00
Sulfate	31.00
Temperature*	11.00
Total Dissolved Solids (TDS)	26.00
Total Kjeldahl Nitrogen (TKN)	75.00
Total Suspended Solids, (TSS / MLSS)	25.00
Volatile Suspended Solids, (VSS / MLVSS)	25.00
Turbidity	20.00

** Not available for NELAP accreditation through the Texas Commission on Environmental Quality (TCEQ)*

Microbiological Analyses

Coliform, Total (P/A - Colilert)	18.00
<i>E. coli</i> (IDEXX-MPN)	32.00
<i>Enterococcus</i> (IDEXX MPN)	32.00

Auto-Sampling Services

Equipment Rental (per day)	50.00
Labor (per hour)	50.00
Mileage	0.580

Miscellaneous Fees

Sample Filtration	10.00
Calculation Fee	10.00
Field Monitoring	Quote
Fax	1.52
Copy Fee	0.17/page

Additional analyses not listed above are available for testing by quote.
All subcontracted tests will be charged at a rate of analytical test charge plus 20%.
Customer pays all shipping and a \$10 environmental fee.
When available, after hours services will be assessed at a rate of \$40.00/hour
in addition to the cost of analysis.



RED RIVER AUTHORITY OF TEXAS



RESOLUTION

No. 2019-008

STATE OF TEXAS

§

COUNTY OF WICHITA

§

A RESOLUTION OF THE BOARD OF DIRECTORS REPLACING CHAPTER 3-UTILITY DIVISION AND CHAPTER 5-MAINTENANCE DIVISION OF THE ADMINISTRATIVE POLICY AND PROCEDURE MANUAL.

The RED RIVER AUTHORITY OF TEXAS specifically finds that:

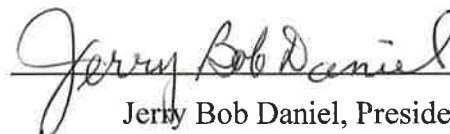
WHEREAS, the Red River Authority of Texas Board of Directors adopted an Administrative Policy and Procedure Manual on October 28, 1980 to direct and carry out policies sanctioned by the Board of Directors; and


WHEREAS, from time to time the Red River Authority of Texas desires to amend those policies by Resolution of the Board of Directors; and

WHEREAS, the General Manager has caused review of Chapter 3-Utility Division and Chapter 5-Maintenance Division, and has provided replacement chapters for review and adoption; and

NOW, THEREFORE, it is hereby resolved that the Red River Authority of Texas Administrative Policy and Procedure Manual Chapters 3 and 5 attached to this Resolution as Exhibits A and B are hereby adopted effective October 1, 2019, by the Red River Authority of Texas Board of Directors.

PASSED AND APPROVED this the 18th day of September, 2019.


Jerry Bob Daniel, President


Stephen A. Thornhill, Assistant Secretary



RED RIVER AUTHORITY OF TEXAS



RESOLUTION

No. 2019-009

STATE OF TEXAS §

COUNTY OF WICHITA §

A RESOLUTION OF THE BOARD OF DIRECTORS ADOPTING THE ANNUAL OPERATING BUDGET FOR FISCAL YEAR 2019-2020.

The RED RIVER AUTHORITY OF TEXAS specifically finds that:

WHEREAS, the Red River Authority of Texas Board of Directors adopts an annual operating budget to be used by the Authority to fund the implementation of the policies and initiatives for the fiscal year; and


WHEREAS, the Red River Authority of Texas includes all rates and fees charged by the Red River Authority of Texas in the Annual Operating Budget for Fiscal Year 2019-2020; and


WHEREAS, the General Manager and Assistant General Manager have worked with each of the Red River Authority of Texas Divisions to establish the projected revenue and expenditures for each Division for inclusion in the Annual Operating Budget for Fiscal Year 2019-2020; and

WHEREAS, the Controller has reviewed the budget worksheets submitted by the Divisions and has prepared an Annual Operating Budget for Fiscal Year 2019-2020 for review and adoption by the Board of Directors; and

NOW, THEREFORE, it is hereby resolved that the Red River Authority of Texas Annual Operating Budget for Fiscal Year 2019-2020 be adopted effective October 1, 2019, by the Red River Authority Board of Directors.

PASSED AND APPROVED this the 18th day of September, 2019.


Stephen A. Thornhill, Assistant Secretary


Jerry Bob Daniel, President



RED RIVER AUTHORITY OF TEXAS



RESOLUTION

No. 2019-010

STATE OF TEXAS

§

COUNTY OF WICHITA

§

A RESOLUTION OF THE BOARD OF DIRECTORS ESTABLISHING DIRECTOR FEES.

The RED RIVER AUTHORITY OF TEXAS specifically finds that:

WHEREAS, the Red River Authority of Texas is governed by the Texas Water Code; and

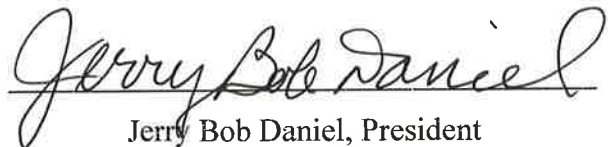
WHEREAS, in Title 4. General Law Districts, Chapter 49, Provisions Applicable to All Districts, Section 49.060, sets the fees of office; and


WHEREAS, in Section 49.060, A director is entitled to receive fees of office of not more than \$150.00 a day for each day the director actually spends performing the duties of a director; and;

WHEREAS, the Red River Authority of Texas Board of Directors desires to raise the director fees to the maximum limit allowed in the Texas Water Code of \$150.00 a day.

NOW, THEREFORE, it is hereby resolved that the Red River Authority of Texas Board of Directors shall raise its director's fees to the maximum limit allowed by the Texas Water Code of \$150.00, effective October 1, 2019.

PASSED AND APPROVED this the 18th day of September, 2019.


Jerry Bob Daniel, President


Stephen A. Thornhill, Assistant Secretary

